

State of Arizona

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Business Owners, Legislators Join Governor Brewer to Support Sales Tax Simplification

Large Coalition Backs Effort to Help Businesses and Boost Economy

PHOENIX – Governor Jan Brewer today announced the introduction of legislation aimed at simplifying the State's Transaction Privilege Tax (sales tax) code, which is currently one of the most complex and cumbersome in the nation. The Governor was joined at the State Capitol by a broad coalition made up of dozens of Arizona businessmen and women, legislators and public policy leaders who have pleaded for meaningful sales tax reform.

"This is a significant day for Arizona employers and taxpayers. They've wrestled with our State's overly-complex sales tax system for decades, but this legislation will finally put an end to that," said Governor Brewer. "I commend Representative Debbie Lesko, House Majority Whip Rick Gray and Senate Majority Leader John McComish for championing this important initiative, which will make it much easier for businesses to grow and prosper in Arizona."

"I'm so excited the Governor has made simplification a priority," said Linda Stanfield, owner of Benjamin Franklin Plumbing, who stood with the Governor today in support of this effort. "I can't wait to celebrate simplification for all small business!"

In May, Governor Brewer established the TPT Simplification Task Force – which included business owners, retailers and tax experts – to identify ways to simplify the sales tax code, reduce taxpayer confusion and improve compliance and efficiency. The group convened 17 times between July and December, and has released recommendations to the Governor and Legislature.

The proposed legislation, sponsored by Representative Lesko, Chairwoman of the House Ways & Means Committee, has been crafted around these Task Force recommendations.

"I ran for office to make a difference. This legislation will help thousands of taxpayers across the state, and will free up business capital so that employers can hire more workers," said Representative Lesko (R-District 21). "I am excited to be a part of this historic effort."

Under the current State sales tax system, businesses are burdened by multiple points of contact, multiple payments and multiple audits. The complexity can make it difficult for well-meaning businesses to simply pay what they owe.

The legislation being introduced today will move the State to a simpler system in which business owners have a single point of contact, payment and audit – as is done in most other states.

"As a member of the TPT Simplification Task Force, I was honored to participate in this exhaustive effort to resolve longstanding issues with our sales tax code," said Senate Majority Leader John McComish (R-District 18). "This legislation will help us free our employers from reams of needless paperwork, allowing them to focus on growing their businesses and creating jobs."

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